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Apex court rejects JSL plea challenging chromite mine lease renewal to Tata

Prabhati Nayak Mishra @dna

New Delhi: In yet another jolt to former Congress MP Navin Jindal owned Jindal Stainless Ltd (JSL), the Supreme Court on Wednesday rejected its plea seeking a restraint order against Odisha government from granting renewal of chromite mine lease to Tata Steel Ltd (TSL) at Sukinda in Balasore district.

Chromite is the base metal used for manufacturing stainless steel. The 406-hectare area was leased to Tata Steel for 20 years for the third time after the lease expired in January 2013.

Rejecting JSL's plea, a bench headed by chief justice HL Dattu said: "You don't have right over it. You cannot raise the issue at this stage. Once they (TSL) misuse the renewal that was granted, then you can come to court."

Earlier, on September 24, the apex court had cancelled 214 out of 218 coal blocks allotted to various companies, including that of Jindal Steel & Power Ltd (JSPL), the largest beneficiary of the allotments.

The bench was hearing JSL's plea against Orissa high court order, which upheld the government's decision and dismissed its plea. JSL contended that the government had not allowed it to make its grievances and other things before taking a decision for renewal for the third time to TSL.

Appearing for JSL, former Union minister P Chidambaram argued that the Odisha government appears to be in haste to grant a renewal of the mining lease to TSL without considering and taking into account the relevant factors so as to form a balanced, unreasonable and unbiased opinion that would be in the interest of mineral development and also in the interest of society at large."

The senior advocate also argued that at the time of 2nd renewal, a group of companies, including JSL, had objected to not being heard before renewal was granted. Subsequently, their plea was allowed by the high court as well as Supreme Court in 1996.

The apex court had asked the state government to consider various other aspects before granting mining lease to TSL.

The act of Odisha government is contrary to the law laid down by this court in TISCO Judgment and also letter and spirit of the Mines and Minerals Development and Regulation (MMDR) Act, JSL argued.

According to JSL's petition, TSL was leased 1,813 hectares of area for 20 years initially in 1953 and subsequently it was renewed twice. While granting renewals, the government had also reduced the area from time to time.

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